

**USAID/Guinea Bissau**  
**ANNUAL REPORT FY 2003**

3/13/2003

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## **A. Program Level Narrative**

### **Program Performance Summary:**

Annual Report: Non-presence Countries - Guinea Bissau

#### **A. Introduction:**

After free and fair elections in Guinea Bissau in December 1999 and January 2000, the U.S. Secretary of State lifted sanctions that had been imposed, per Section 508 of the Foreign Assistance Act, due to the overthrow of an elected government in 1998. The civil war which followed the overthrow almost completely destroyed the progress that Guinea Bissau had made since independence, leaving the country with an economy in ruins and a democracy more fragile than ever. The only thing that seems to hold the country together is the general knowledge that only stability and an open business environment will allow them to develop their modest, but significant natural resources.

The U.S. Government has been as responsive as possible under difficult budgetary and management constraints. With remaining funds from the Trade and Investment Promotion Support (TIPS) project, USAID has a small, but symbolically significant presence in Guinea Bissau and keep the management burden to a minimum by using one or more US PVOs experienced in working in non-presence countries.

#### **B. On-going Activities:**

- USAID is contributing \$998,726 through a Cooperative Agreement with AMEX International to build the capacity of micro enterprise and micro finance development: With USAID TIPS funding, for the first time since the war, two Micro enterprise Support Organizations (MESOs), with AMEX support, have resumed some services to their members. Two other MESOs will also soon resume some services and training. The first loan cycle under the matching loan fund was completed on September 30, 2002, and a second loan cycle will be completed by December 31, 2002. To date, 653 loans have been made (576 of those to women) and 2,462 participants have been trained in business practices. ESF would be used to expand micro finance activities and training in food processing, conservation techniques, and basic gardening techniques for one year.

- USAID is contributing \$695,467 through a Cooperative Agreement with Enterprise Works Worldwide Inc. (EWW) to promote local processing and marketing of cashews: provided technical assistance in the design and local manufacture of cashew nut processing material. EWW equipment is better adapted to local conditions and is considerably cheaper than imported processing equipment and has gained much attention and praise for this. EWW also provides training on cashew processing and assistance with marketing. To date, the project has been instrumental in exporting the first container of processed cashews from Guinea-Bissau and creating employment for over 300 people.

- In FY 2001, the Embassy requested and obtained \$250,000 of ESF resources under the Countries-in-Transition program to support the National Assembly and the Rule of Law through technical assistance, training and supplies. This program is being managed by USAID through a Public International Organization Grant to the UNDP. Sixty women from ten non governmental women organizations were trained and introduced to women's rights instruments and ways to promote economic, social and cultural rights of women. Eight governors, six military commanders and twenty four local administrative officers, including traditional and religious chiefs were trained on human rights and democratic principles. Seventy leaders of civil society were trained on the role of civil society in the promotion of the rule of law. Forty members of parliamentarian commissions were trained on human rights. And seventy legal experts, lawyers and judges were trained on various aspects of due process of law.

- USAID is contributing \$50,000 through the West African Regional Program (WARP) Ambassadors AIDS initiative to support the efforts of PSI in an education project jointly funded by the World Bank. The USAID funds will be used over a twelve-month period to strengthen the education component of this social marketing program which plans to distribute 4.2 million condoms over a five-year period. The USAID effort will target especially young people 15-24 years old in the Bafata and Bissau areas whose combined population is estimated at half a million. The program was officially launching in September 2002 and

featured a RAP music contest. The launching ceremony was attended by MOH officials, youth associations, the Secretary of State for Youth, Culture and Sports and other important personalities.

- USAID is continuing its support to Guinea-Bissau through a Request for Applications (RFA), which announces a \$250,000 one-year program to promote peace-building and economic development activities to promote stability along the border with Senegal. Through this RFA, USAID's West Africa Regional Program (WARP) is soliciting applications for innovative approaches to help residents of the border area of Guinea-Bissau to build better lives for themselves and their communities, through activities which will mitigate the negative social and economic effects of the Casamance conflict and the 1998 war in Bissau have had upon the border region. The deadline for submitting the applications is January 2, 2003.

#### C. Conclusion:

In general, the U.S. Mission in Senegal is making every effort to respond to the desperate needs of Guinea Bissau, with whatever resources are available and manageable and these modest efforts may bring other donors back. USAID is convinced that many people inside and outside government are dedicated to this purpose and are cautiously hopeful that with a minimum of assistance they can succeed.

#### **Environmental Compliance:**

#### **Country Closeout & Graduation:**

#### **D. Results Framework**

##### **657-001 Private sector trade and investment increased**

#### **Discussion:**